

Western Climate Initiative Partners Meeting Tempe Mission Palms Hotel Gov. Jan Brewer

Tuesday, January 19, 2010

Good afternoon.

I appreciate the opportunity to tell you what's happening in Arizona right now and what my priorities will be on climate change, energy and the economy in the coming months.

I'm told that it has been customary in your recent bi-monthly meetings to have the governor or premier of the host venue make an appearance.

I believe I'm the first governor to speak with you who didn't actually sign on to the WCI partnership.

Don't feel awkward or nervous about that; just be extra nice to me and say yes to everything Arizona asks of you.

While I do not support Cap and Trade regulation in this economic downturn, I have valued the process of state-based collaboration to protect the environment of the Western United States.

As a Republican governor, in a state with the Legislature controlled by Republicans I just want to urge you to "keep it real."

By this I mean, keep the costs of your policies and program in check so that real people -- like my fellow Arizonans -- can afford to cool their homes in the summer and keep their jobs year-round.

As you all know, these are tough and uncertain economic times. We need to be transparent about the science and candid about the costs, particularly in an economic downturn.

We in Arizona are facing a \$4.5 billion dollar deficit in the current and approaching fiscal years.

We are trying to make ends meet, while ensuring our most vulnerable citizens don't lose their safety net.

As you continue hashing out the details of how a Cap and Trade program could work on a regional scale, we remain both engaged and interested in how we can boost the economy of the region with clean and renewable energy policies.

Here's a basic fact, a political reality:

Arizona will NOT be one of the jurisdictions to launch a Cap and Trade program in 2012.

However, there is still value in us working with you, in the context of WCI.

It is absolutely critical that WCI look at additional complementary policies to reduce GHG emissions, again, in a <u>COST-EFFECTIVE</u> way.

Job creation is the path out of our economic downturn in Arizona.

Already, Arizona has a rapidly emerging national leadership role in climate friendly technologies.

We are also a leader in nuclear power, a carbon-free fuel that is a key part of the mix in our energy supply and a key to our energy future here. I support adding more nuclear power to Arizona's energy supply.

We must also strive to ensure our employees, particularly in communities that are hit hard by the transition away from carbon-intensive industries, are "workforce-ready" to assume new roles and responsibilities in the emerging green economy.

In my State of the State address last week, I announced that I am devoting \$10 million dollars in one-time federal stimulus funds so our employees will be "workforce-ready" – the primary job training solution and what we need most to close the deals for business in Arizona, particularly in this new energy sector.

I am also committed to making Arizona the Solar Capital of the World.

We are firing on all cylinders – distribution, line-siting, regulatory and tax reform – to ATTRACT renewable energy industries.

With the start of the new year, Arizona has a new resource to advance its solar platform and reach into the area of renewable energy -- the Arizona Renewable Energy Tax Incentive Program, which I signed into law last June.

You may also know about Arizona's Renewable Energy Standards, which went into effect in 2007 and require regulated utilities to generate 15 percent of their energy from renewable resources by 2025.

While these rules do not have a dedicated solar set-aside, they do have a specific set-aside for distributed generation.

The Standards allow utilities to use solar, wind, biomass, biogas, geo-thermal and other similar technologies to generate "clean" energy to power Arizona's future.

The rules package outlines what technologies qualify and allow for new and emerging technologies to be added as they become feasible.

An emerging technology that has caught my attention is algae (AL-gee) bio-fuels.

Arizona has the potential to be a national and global leader in algae (AL-gee) research and biotechnology, reducing America's dependence on fossil fuel, increasing prospects for green jobs and profits, cleaning air and water, and creating valuable products for human and animal use.

I'm glad you're going to get the opportunity to hear from ASU experts tomorrow.

This is all good food for thought about a great fuel for the future.

Let me mention a few other things I'm focused on in the clean, renewable energy arena:

- -- We have launched a public buildings solar initiative with a goal to procure and deploy one megawatt of new solar installations on our state public buildings in early 2010.
- -- Arizona is also establishing a grant program to demonstrate commercially viable renewable energy and energy efficient products manufactured in Arizona.
- -- Not long ago, I signed two Executive Orders that bear significantly upon my clean, renewable energy agenda.

-- The first Executive Order established the Governor's Solar Energy Advisory Task Force.

This group of 15 will evaluate incentives provided to solar energy producers and recommend their continuation, elimination, improvement and/or expansion.

The second Executive Order directed Arizona agencies, universities and nonprofit associations to work together to advance renewable energy generation projects.

Let me conclude by saying how much we all miss Patrick Cunningham and wish him the best in his new job.

It's great that you're toasting and roasting him this evening.

If he were here, he would probably remind you to roast freely but to mind your carbon footprint and limit the smoke emissions – we have to breathe the air in the Valley.

Thank you for the opportunity to share some thoughts with you this afternoon, and I wish you fruitful discussions and safe travels home.

Thank you.